

drug bill which gave billions of dollars away to the special interests. It is time for the President to stand with the American people and support our children.

#### POLITICAL POSTURING ON SCHIP

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, we have seen an incredible amount of political posturing this week over SCHIP. The SCHIP program was created in a bipartisan effort to ensure poor children without health insurance have health care coverage. Poor children without insurance. Children, not adults. Some States have more adults on SCHIP than children. Poor children, not families making \$83,000 a year, to get free health insurance. Poor children without insurance.

Under the Democrat bill, one in three children who already have private insurance would drop their private coverage to get free government coverage.

Let's ensure poor children have health coverage and do it in a bipartisan way, not shutting out Republicans the way they did in this last bill.

This Democrat Congress truly is a dysfunctional Congress. They can't even get SCHIP reauthorization right.

#### MISTREATMENT OF RETURNING SOLDIERS

(Mr. CLYBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLYBURN. Mr. Speaker, I rise today to voice my outrage and utter disgust regarding the treatment of some of our brave men and women who have just returned home from serving gallantly in Iraq.

Recently, members of the Minnesota National Guard, known as the Red Bulls, were told that they did not qualify to receive benefits under the GI Bill. Why? Because they were deployed for 729 days in Iraq and not the 730 days mandated by the GI Bill to receive benefits.

The fact that they would deny educational benefits to courageous veterans who risked their lives defending our freedoms, many of whom were deployed for 20 consecutive months, is shameful and appalling. Supporting our troops means taking care of them when they come home and providing them with the benefits they have earned and rightfully deserve.

Mr. Speaker, if I might invoke the words of Alexis de Tocqueville: "America is great because America is good. And if America ever ceases to be good, it will cease to be great."

Mr. Speaker, this action does not reflect the goodness of our great Nation.

#### OPEN AND TRANSPARENT SPENDING

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, the American people deserve better from their government when it comes to the way it spends their hard-earned taxpayer dollars. As Jerry Bellune of the Lexington County Chronicle would say, "It's the people's money, not the government's money given to the people."

It seems that this Democrat majority which rode to power on a wave of promises about open and transparent Congress has decided these principles do not apply when it comes to all earmarks. So I ask my colleagues on the other side of the aisle, if identifying who is sponsoring an earmark is okay on spending bills, why is it not okay on all legislation?

The American people deserve more transparency from their government, not multi-million dollar spending packages slipped silently into legislation under a bureaucratic cover.

In conclusion, God bless our troops, and we will never forget September the 11th. Thank goodness for Rush Limbaugh, who supports our troops.

□ 1015

#### DENOUNCING ATTACKS ON RUSH LIMBAUGH

(Mr. LAMBORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAMBORN. Mr. Speaker, I rise today to denounce the liberals' fraudulent attacks on Rush Limbaugh. Anyone who reads the widely available transcript as I have done sees that Mr. Limbaugh was appropriately referring to the pretenders who pose as medal winners or who falsely claim to have committed atrocities in Iraq when he used the phrase "phony soldiers."

No, the real scandal here is that liberals in America and here in this Congress are willing to manipulate facts to smear those they disagree with. But there's an even more insidious agenda by liberals going on and that is to reinstitute the so-called Fairness Doctrine, which is actually a way to silence conservatives on the radio waves. Mr. Limbaugh deserves mega-kudos for being a forceful and effective voice on the side of common sense and for being an example of the first amendment in action. After all, isn't that what our country is supposed to be about?

#### RECOGNIZING CHARLOTTE'S BLUE RIBBON CAMPAIGN

(Mr. HAYES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES. Mr. Speaker, last April, Charlotte police officers Sean Clark

and Jeff Shelton were shot and killed in the line of duty as they responded to a call at an east Charlotte apartment complex. As a result of these tragic murders came the Blue Ribbon Campaign. Many miles of free blue ribbon were distributed throughout the greater Charlotte area. Jeff Katz, a former police officer who hosts the afternoon drive show on WBT in Charlotte, North Carolina, urged listeners to display the blue ribbons on cars and homes as well as on their persons to visibly support law enforcement. On his radio show, Katz asked listeners to donate to a special memorial fund for the families of the slain officers. In a matter of hours, Katz had pledges of \$50,000. Those making pledges were directed to make their donations directly to the Fraternal Order of Police Lodge No. 9.

I want to commend these officers and their families for their sacrifice and thank their brothers and sisters in law enforcement for their commitment to keep the city safe. I also want to thank Jeff Katz and countless citizens for their tremendous efforts in the Blue Ribbon Campaign responding to this tragedy. Out of this tragedy it was encouraging to see the tremendous outpouring of support from the whole community for our law enforcement personnel who risk their lives every day for all of us.

#### PROVIDING FOR CONSIDERATION OF H.R. 3648, MORTGAGE FOREGIVENESS DEBT RELIEF ACT OF 2007

Mr. CARDOZA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 703 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 703

*Resolved*, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3648) to amend the Internal Revenue Code of 1986 to exclude discharges of indebtedness on principal residences from gross income, and for other purposes. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions of the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit with or without instructions.

SEC. 2. During consideration of H.R. 3648 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

The SPEAKER pro tempore. The gentleman from California is recognized for 1 hour.

Mr. CARDOZA. Thank you, Mr. Speaker.

For the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. LINCOLN DIAZ-BALART). All time yielded during consideration of the rule is for debate only.

#### GENERAL LEAVE

Mr. CARDOZA. I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on House Resolution 703.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CARDOZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 703 provides for consideration of H.R. 3648, the Mortgage Forgiveness Debt Relief Act of 2007 under the traditional closed rule. The rule provides 1 hour of general debate equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill except for clauses 9 and 10 of rule XXI. Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, as we have heard from countless media reports and I have seen in my own congressional district, the housing market is in crisis. Subprime mortgages and predatory lending practices are more prominent than ever. Home values have plunged 15 to 20 percent this year and foreclosures in the first 6 months of this year alone have surged 55 percent over the same period in 2006.

Sadly, Mr. Speaker, I know these situations all too well. I represent communities that have been dubbed the Foreclosure Capital of the United States of America by the national media because of foreclosure rates of about one in 27 homes. I have seen the joy in families' eyes when they have been able to purchase their first home and achieve the American Dream. I have seen the tears when they struggle to make their payments and their dream is taken away.

Mr. Speaker, losing your home to foreclosure is an unthinkable ordeal. The way I see it, if you are unfortunate enough to lose your home to foreclosure because you are struggling, you have suffered enough. You shouldn't be punished further by being taxed on what you no longer own. But that's exactly what's happening. Under current tax law, the IRS counts as income the amount of the mortgage debt that you have been forgiven by a lender as it is considered a "gift" and therefore subject to tax. This means that when many Americans lose their home to foreclosure, they are slapped with a tax bill when a lender discharges the debt

on their home. Families are shocked—and frankly so am I—when they receive a tax bill for something they no longer own simply because of phantom income that is created when the so-called gift is forgiven. This double whammy, as Chairman RANGEL likes to say, of someone losing their home to foreclosure, often because of circumstances beyond their control, and then facing a tax bill on top of that is neither fair nor equitable, and it has to stop.

The bill before us today, H.R. 3648, addresses this very issue. The bill is quite simple. First, it exempts forgiven mortgage debt from being counted as income for tax purposes. This will prevent countless Americans from receiving a tax bill after they have lost their home to foreclosure. Second, H.R. 3648 provides for a 7-year extension of the tax deduction for private mortgage insurance, which is scheduled to end at the end of 2007. The deduction for PMI, as it is most commonly known, is critical to many low- and moderate-income families and first-time homebuyers who lack the traditional down payment. The PMI deduction allows them to purchase a home at lower cost while avoiding risky subprime or predatory second loans that would need to be made for them to make a down payment. Third, the bill makes it easier for owners of co-op housing units to qualify as a cooperative housing institution. H.R. 3648 also addresses a tax loophole regarding capital gains treatment from the sale of certain homes. Closing this unintended loophole will prevent people from switching back and forth between a primary and secondary residence to get a double tax benefit that was never intended.

Mr. Speaker, the bipartisan bill before us today, H.R. 3648, was unanimously approved by the Ways and Means Committee, and it has the strong support of organizations such as the National Association of Home Builders, the Mortgage Bankers Association and the National Association of Realtors. I would like to thank Chairman RANGEL and the Ways and Means Committee for their hard and thoughtful work in bringing this legislation to the floor today.

Mr. Speaker, this bill provides more opportunities for people to buy a home, more options for families to keep their home, and eliminates an unfair tax bill should they in fact lose their home through unfortunate circumstances. I am proud to join many organizations and my colleagues on both sides of the aisle in supporting this commonsense legislation today.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The gentleman from Florida is recognized for 30 minutes.

Mr. LINCOLN DIAZ-BALART of Florida. Thank you, Mr. Speaker. I would like to thank my friend, the gentleman from California, for the time and I yield myself such time as I may consume.

In August, over 165,000 properties in Florida alone entered foreclosure, 50 percent more than the previous month. The situation is most acute in the part of Florida that I am honored to represent. Miami-Dade County ranks in the top five counties in the Nation among major metropolitan areas where homes are entering some stage of foreclosure. Broward County ranks third in the Nation. This great cause for concern in the housing market has prompted anxiety over the tax consequences associated with discharges of indebtedness, debt forgiveness, in connection with restructuring acquisition indebtedness and home foreclosures.

As the gentleman from California pointed out, under current law, when a lender forgives some or all of the mortgage debt, Mr. Speaker, the borrower is required to treat the forgiven debt as taxable income, taxed at ordinary rates. In today's marketplace, declining property values have left some sellers in the position of having to sell their homes for less than the outstanding balance on the mortgage. Even if the loss of value occurs through no fault of their own, if the lender forgives the shortfall, that amount is taxable income for sellers. This phantom income tax places a heavy burden on a family that has incurred a significant economic loss. This legislation will help protect those homeowners from an unexpected and unfair tax bill.

The bill also extends the deduction for private mortgage insurance for 7 years. Current law limits the deduction for private mortgage insurance to payments made prior to the end of 2007. This provision will be helpful, especially to young families purchasing their first home.

There is some concern that the bill may go beyond what is needed during this time. The administration and some in the minority here in Congress have stated that the relief should be temporary to assist homeowners during the current mortgage market transition period, avoiding as much as possible distorting consumer and lender decisions on new mortgage loans. But, Mr. Speaker, there can be no doubt that the underlying legislation being brought forth today for consideration by this House is an example of what can happen, the good that can happen, the progress that can be made when the congressional majority decides to work with the administration, with the President and the minority in Congress on an important issue such as this. Much of the legislation that we will be considering today was proposed, the substance of that legislation was proposed by President Bush. And so this is an example of what progress can be made on important issues when the congressional majority decides to work with the minority and the administration.

Now, on process, Mr. Speaker, in a document called The New Direction for America, the new congressional majority laid out its campaign promises to

the American people last year. Included in that document was a promise, and I quote, that bills should generally come to the floor under a procedure that allows open, full and fair debate consisting of a full amendment process that grants the minority the right to offer its alternatives, including a substitute.

□ 1030

But with this rule today that, as you know, Mr. Speaker, the rule is what brings to the floor the underlying substantive legislation that will be considered subsequently by the House; with this rule today, the majority has broken its own promise in two ways. First, they denied the minority the ability to offer a substitute amendment. My colleague, the distinguished ranking member, Mr. DREIER, offered two amendments Tuesday in Rules to allow Ways and Means Ranking Member MCCRERY the ability to offer a substitute amendment on this legislation. But on a party-line vote, the majority rejected the minority's ability to offer a substitute.

The majority claims that they are running the House in a more open manner than we did in the 109th Congress, but this rule today once again demonstrates that they are not moving toward a more open process, but instead moving backwards. This rule closes out all amendments. So every Member of the House is precluded from in any way offering their ideas to improve this bill.

So far this year, the majority has offered 34 closed rules on bills, closing out all amendments, far surpassing the number from the 109th Congress at this point, as a matter of fact, more than double the amount of closed rules. At this point in the 109th Congress there had been 16 closed rules. And remember the promise: the promise was to move in the other direction, and instead, more than double the amount of closed rules; clearly, moving backwards.

What this rule today really represents, Mr. Speaker, is a missed opportunity. If the majority had offered an open rule, the majority could have doubled their number of open rules on nonappropriations bills to a whopping two; instead, they've permitted only one open rule on nonappropriations bills, thus continuously violating their claim to be a more open and bipartisan Congress.

Mr. Speaker, at this time I reserve the balance of my time.

Mr. CARDOZA. Mr. Speaker, I would like to remind my friend and colleague from Florida that tax bills have traditionally been handled under closed rules, including when Mr. DREIER was chairman of the committee and when Mr. DIAZ-BALART was the vice chairman of the committee.

Mr. Speaker, I yield 5 minutes to the gentlewoman from Florida (Ms. CASTOR), a distinguished member of the committee.

Ms. CASTOR. I thank my colleague from California, who continues to be a

leader for homeowners across this country as they face very troubling times.

Mr. Speaker, I rise today in strong support of the Mortgage Debt Relief Act of 2007 and this rule. I would like to thank Chairman RANGEL and the House Ways and Means Committee for moving quickly on this critical legislation.

Our efforts today will help families across America who have had to bear the unfortunate burden of their homes going into foreclosure. You see, under current law, after a homeowner loses their home to foreclosure, they are forced to pay income tax on that debt forgiveness. So although the homeowner has lost their assets, they must suffer the immeasurable strain of a tax bill that they are often unable to pay.

When a family has lost their home to foreclosure or has been unable to renegotiate their loan with their lender to reflect the current value of their home, homeowners under current law are being confronted with an unfair and, frankly, unaffordable tax bill. Our legislation on the floor of the House today will help.

This is simply an issue of fairness for struggling families and homeowners. It is unfair for a family to pay a tax on their income that they actually do not receive. When a bank forgives some amount of debt for a homeowner, either to avoid foreclosure or simply to forgive a debt to a homeowner already in the foreclosure process, the amount of the forgiven debt is treated by the IRS as income, which is then taxed. For families already struggling to make ends meet, the phantom income and resulting tax burden generated by this can endanger their financial health even further. This bill will fix this double whammy.

With the current housing crisis that exists in our country, especially from the subprime lending market, it is no wonder that so many families have found themselves in unfortunate situations when it comes to their homes. Relieving families of this tax burden is the least we can do to help our families and all that they are trying to do in their everyday lives.

My colleague from Florida is correct: in August, the State of Florida had the second highest total of foreclosure filings, up 77 percent from the previous month. Florida is ranked third in the United States for overall foreclosures this year, and nationwide foreclosures up are 115 percent.

In my home district in the Tampa Bay area, over 10,000 of my neighbors have found their homes falling into foreclosure within the first 6 months of this year. Well, we are going to extend a lifeline today, and believe me, it matters.

Last month, I visited with one of my neighbors, Isaline Wyatt. She is a single mother of two in east Tampa who was very close to losing her home to foreclosure. Fortunately, she was able to keep her home with the help of

Neighborworks, a community action group. But many of our neighbors are in similar situations, and they do not have the same prospects. I promised Isaline and our neighbors throughout the Tampa Bay area that we would work to ensure that help is within reach.

I am proud to say that today we will keep that promise and help bring relief to my hardworking neighbors. We will keep them from being faced with unaffordable, large tax bills as a result of foreclosure or renegotiating mortgages.

In the city of St. Petersburg, Florida, the talented and caring staff at the local Neighborworks center work hard every day to keep homeowners in their home. Since January, they have assisted 65 families. Homeowners like Joann Carnahan of St. Petersburg are working desperately with Neighborworks so they don't lose their homes. Joann fell behind on her mortgage payment because she lost her job. The house she lived in belonged to her parents. She refinanced for \$80,000. Her father was still there, but he passed away, and she had to pay all of his bills. Due to lack of income and her father's death, she was unable to negotiate a payment plan with her mortgage company. Under current law, if Joann's home goes into foreclosure, she will be hit with an income tax bill that she is in absolutely no position to pay.

Mr. Speaker, the Mortgage Forgiveness Debt Relief Act of 2007 will aid families and people like Joann in St. Petersburg and help them get back on their feet after foreclosure. With the whirlwind of problems in the mortgage finance system, this bill will help stabilize families in our neighborhood, and I urge adoption today.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, in response to my good friend Mr. CARDOZA's point about the tradition with tax bills, yes, there has been a tradition to bring tax bills to the floor under a restricted rule. That has not precluded in the past, as we did often, the ability of the minority to offer a substitute amendment.

So what I was talking about with regard to process is that there was a clear promise to move in a more open direction, to move toward more openness and more transparency and more rights for the minority. And what has happened is exactly the opposite, a doubling by the majority of closed rules that absolutely close out, in other words, prohibit, all Members from proposing amendments on this floor. So that great contrast between the promise and the performance is what I was alluding to, that unfortunate contrast.

Now, on substance, again, I think that today is an example of something very positive. The congressional majority has decided to work with the minority and the President on an issue that is of importance to this legislation. And so we see legislation, much of

which was proposed by the President of the United States, coming to the floor today to solve a major problem facing the American people.

So while I reiterate the great disappointment that we in the minority feel with regard to the lack of performance by the majority with regard to its promise to open this House to more fairness on substance, I think it's commendable that for once there is an issue of importance to the American people that the congressional majority has decided to work with the President on and with the minority in Congress.

I will be asking for a "no" vote on the previous question, Mr. Speaker, so that we can amend this rule and allow the House to consider a change to the rules of the House to restore accountability and enforceability to the earmark rule.

Under the current rule, so long as the chairman of a committee of jurisdiction includes either a list of earmarks contained in the bill or report, or a statement that there are no earmarks, no point of order lies against the bill. This is the same as the rule in the last Congress. However, under the rule as it functioned under the Republican majority in the 109th Congress, even if the point of order was not available on the bill, it was always available on the rule as a question of consideration. But because the Democratic Rules Committee specifically exempts earmarks from the waiver of all points of order, they deprive Members of the ability to raise the question of earmarks on the rule or on the bill.

I would like to direct our distinguished colleagues, Mr. Speaker, to a letter that the House Parliamentarian, the distinguished JOHN SULLIVAN, recently sent to the distinguished chairman of the Rules Committee, Ms. SLAUGHTER, which confirms what we have been saying since January, that the Democratic earmark rule contains loopholes. In his letter to Chairwoman SLAUGHTER, the Parliamentarian stated that the Democratic earmark rule "does not comprehensively apply to all legislative propositions at all stages of the legislative process."

HOUSE OF REPRESENTATIVES,  
OFFICE OF THE PARLIAMENTARIAN,  
Washington, DC, October 2, 2007.

Hon. LOUISE MCINTOSH SLAUGHTER,  
Committee on Rules, House of Representatives,  
Washington, DC.

DEAR CHAIRWOMAN SLAUGHTER: Thank you for your letter of October 2, 2007, asking for an elucidation of our advice on how best to word a special rule. As you also know, we have advised the committee that language waiving all points of order "except those arising under clause 9 of rule XXI" should not be adopted as boilerplate for all special rules, notwithstanding that the committee may be resolved not to recommend that the House waive the earmark-disclosure requirements of clause 9.

In rule XXI, clause 9(a) establishes a point of order against undisclosed earmarks in certain measures and clause 9(b) establishes a point of order against a special rule that waives the application of clause 9(a). As illuminated in the rulings of September 25 and

27, 2007, clause 9(a) of rule XXI does not comprehensively apply to all legislative propositions at all stages of the legislative process.

Clause 9(a) addresses the disclosure of earmarks in a bill or joint resolution, in a conference report on a bill or joint resolution, or in a so-called "manager's amendment" to a bill or joint resolution. Other forms of amendment—whether they be floor amendments during initial House consideration or later amendments between the Houses—are not covered. (One might surmise that those who developed the rule felt that proposals to amend are naturally subject to immediate peer review, though they harbored reservations about the so-called "manager's amendment," i.e., one offered at the outset of consideration for amendment by a member of a committee of initial referral under the terms of a special rule.)

The question of order on September 25 involved a special rule providing for a motion to dispose of an amendment between the Houses. As such, clause 9(a) was inapposite. It had no application to the motion in the first instance. Accordingly, Speaker pro tempore Holden held that the special rule had no tendency to waive any application of clause 9(a). The question of order on September 27 involved a special rule providing (in pertinent part) that an amendment be considered as adopted. Speaker pro tempore Blumenauer employed the same rationale to hold that, because clause 9(a) had no application to the amendment in the first instance, the special rule had no tendency to waive any application of clause 9(a).

The same would be true in the more common case of a committee amendment in the nature of a substitute made in order as original text for the purpose of further amendment. Clause 9(a) of rule XXI is inapposite to such an amendment.

In none of these scenarios would a ruling by a presiding officer hold that earmarks are or are not included in a particular measure or proposition. Under clause 9(b) of rule XXI, the threshold question for the Chair—the cognizability of a point of order—turns on whether the earmark-disclosure requirements of clause 9(a) of rule XXI apply to the object of the special rule in the first place. Embedded in the question whether a special rule waives the application of clause 9(a) is the question whether clause 9(a) has any application.

In these cases to which clause 9 of rule XXI has no application in the first instance, stating a waiver of all points of order except those arising under that rule—when none can so arise—would be, at best, gratuitous. Its negative implication would be that such a point of order might lie. That would be as confusing as a waiver of all points of order against provisions of an authorization bill except those that can only arise in the case of a general appropriation bill (e.g., clause 2 of rule XXI). Both in this area and as a general principle, we try hard not to use language that yields a misleading implication.

I appreciate your consideration and trust that this response is to be shared among all members of the committee. Our office will share it with all inquiring parties.

Sincerely,

JOHN V. SULLIVAN,  
Parliamentarian.

This amendment, Mr. Speaker, will restore the accountability and enforceability of the earmark rule to where it was at the end of the 109th Congress, to provide Members with an opportunity to bring the question of earmarks before the House for a vote. I urge my colleagues to close this loophole by opposing the previous question.

Mr. Speaker, I ask unanimous consent to insert the text of the amendment and extraneous materials immediately prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. LINCOLN DIAZ-BALART of Florida. And at this time, Mr. Speaker, I yield back the balance of my time.

Mr. CARDOZA. Mr. Speaker, I would just like to correct my colleague, the gentleman from Florida, my friend and great colleague on the committee, that on page 19 of the committee report issued after the bill was written, I would like to read section G, which reads: "Pursuant to clause 9 of rule XXI of the rules of the House of Representatives, the Ways and Means Committee has determined that the bill as reported contains no congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of that rule."

Further, Mr. Speaker, the gentleman has mentioned that Mr. MCCREY had offered a substitute and that the majority had denied the minority the ability to bring that substitute up. That's correct, for good cause. The substitute was not paid for under the House PAYGO rules, and in fact violated the House PAYGO rules, and so was not deemed appropriate to be brought to the floor.

Finally, that same substitute only made these very important tax loophole corrections and changes enabled for 3 years. We believe that this particular provision needs to be permanent in Federal law and that homeowners need to be protected if they lose their homes permanently.

So, Mr. Speaker, we did not make Mr. MCCREY's substitute in order. And, in fact, it has been the tradition that tax bills come to the floor under closed rules, even when Mr. DREIER and the Republicans were in charge, because of the complexity of tax law. If you amend that bill on the floor, we don't know how it will affect other clauses within that bill. So it has been the tradition, because of tax law complexity, that bills coming to the floor that deal with the Federal Tax Code do, in fact, come under closed rules.

□ 1045

Mr. Speaker, declining property values and rapid increases in the number of foreclosures are causing a national housing and mortgage crisis. This is a commonsense bill. It is a bill that takes key steps in stabilizing the housing market. H.R. 3648 eliminates the double whammy of someone losing their home to foreclosure and then facing an additional tax bill right when they are down on their knees anyway. It reduces mortgage costs, making it easier for families to purchase a home while avoiding high-risk loans. Most importantly, it will help countless families avoid foreclosure and to stay in their homes.

Mr. Speaker, the bill before us today, H.R. 3648, the Mortgage Forgiveness Debt Relief Act of 2007, is a necessary bill. Once again, it shows that the Democratic Congress is committed to addressing the mortgage crisis sweeping across our Nation. I want to thank Mr. RANGEL and his committee for bringing this bill to the floor.

Mr. Speaker, I urge a "yes" vote on the rule and on the previous question.

Mr. LEWIS of Georgia. Mr. Speaker, owning a home is part of the American dream. But it can become a nightmare when homeowners face foreclosure. In Metro Atlanta we have one of the highest foreclosure rates in the country—one in every 54 households is in foreclosure.

Too often these are people who have lost their jobs or are dealing with an illness. They have lost their home, they are out of money and they are suffering. They should not be hit with a huge tax bill from the IRS.

Cancelled debt is not income, and treating it like a paycheck adds insult to injury. Today we change the tax code to protect people who are losing their home from also having to pay a large tax penalty.

It is the right thing to do and I encourage my colleagues to support this bill.

The material previously referred to by Mr. LINCOLN DIAZ-BALART of Florida is as follows:

AMENDMENT TO H. RES. 703 OFFERED BY MR. LINCOLN DIAZ-BALART OF FLORIDA

At the end of the resolution, add the following:

SEC. 3. That immediately upon the adoption of this resolution the House shall, without intervention of any point of order, consider the resolution (H. Res. 479) to amend the Rules of the House of Representatives to provide for enforcement of clause 9 of rule XXI of the Rules of the House of Representatives. The resolution shall be considered as read. The previous question shall be considered as ordered on the resolution to final adoption without intervening motion or demand for division of the question except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Rules; and (2) one motion to recommit.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's *Precedents of the House of Representatives* (VI, 308-311), describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March

15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Democratic majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the definition of the previous question used in the *Floor Procedures Manual* published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from *Congressional Quarterly's* "American Congressional Dictionary": "If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business."

Deschler's *Procedure in the U.S. House of Representatives*, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Mr. CARDOZA. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

#### PROVIDING FOR CONSIDERATION OF H.R. 3246, REGIONAL ECONOMIC AND INFRASTRUCTURE DEVELOPMENT ACT OF 2007

Mr. ARCURI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 704 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 704

*Resolved*, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3246) to amend title 40, United States Code, to provide a comprehensive regional approach to economic and infrastructure development in the most severely economically distressed regions in the Nation. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions of the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure; and (2) one motion to recommit with or without instructions.

SEC. 2. During consideration of H.R. 3246 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

The SPEAKER pro tempore. The gentleman from New York is recognized for 1 hour.

Mr. ARCURI. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Washington (Mr. HASTINGS). All time yielded during consideration of this rule is for debate only.

GENERAL LEAVE

Mr. ARCURI. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and insert extraneous materials into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ARCURI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 704 provides for consideration of H.R. 3246, the Regional Economic and Infrastructure Development Act of 2007. The rule provides 1 hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure.

I rise today in strong support of this rule and H.R. 3246. I want to thank the distinguished chairwoman of the Economic Development, Public Buildings and Emergency Management Subcommittee, Ms. NORTON, Chairman OBERSTAR, and the ranking members, for drafting this legislation to authorize three new economic development commissions.

H.R. 3246 establishes the Northern Border, Southeast Crescent and Southwest Border Regional Commissions and reauthorizes the successful Delta and Northern Great Plains Regional Commissions. These five commissions will